

WAYS and MEANS COMMITTEE
5:45 p.m., Tuesday, November 19, 2013

The regular meeting of the Ways and Means Committee was held at 5:45 p.m. on Tuesday, November 19, 2013 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palm, South Carolina. Attending the meeting were Councilmembers Bergwerf, Bettelli, Buckhannon, Carroll, Loftus, Stone, Thomas and Ward, Mayor Cronin, Administrator Tucker, Attorney Halversen, Assistant to the Administrator Dziuban and City Clerk Copeland; a quorum was present to conduct business.

1. Mayor Cronin called the meeting to order and acknowledged that the press and public had been duly notified of the meeting in accordance with the Freedom of Information Act.

2. **Approval of Minutes of the Previous Meeting**

MOTION: Councilmember Loftus moved to approve the minutes of the regular meeting of October 15, 2013 as submitted; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

3. **Citizens' Comments – None**

4. **Financial Statement – Treasurer Suggs**

A. Financial Statement

Treasurer Suggs commented that the statements under review at this meeting are for the first third of the fiscal year ending October 31, 2013. General Fund revenues are at sixteen percent (16%) of budget and General Fund expenditures are at twenty-nine percent (29%) of budget. Business Licenses and Building Permits are running significantly ahead of the same period in FY13, which are encouraging signs. Parking is seventy-four thousand dollars (\$74,000) ahead of FY13 collections; the total includes fifty-three thousand dollars (\$53,000) attributable to the parking lots – a combination of the increased hours, hourly rate and the timing of the true-up at year-end – and twenty-one thousand dollars (\$21,000) from parking kiosks. General Fund cash was at seventeen percent (17%) of annual General Fund expenditures. With a target of thirty-three percent (33%), General Fund expenditures are at twenty-nine percent (29%) overall; the Judicial is the only department over-budget year-to-date.

Councilmember Carroll asked whether the increases in building permits and business licenses could be attributed to the new shopping center; Treasurer Suggs stated that there were multiple large projects occurring on the island, i.e. at Shipwatch, on 41st Avenue with the Water and Sewer Commission, and the shopping center.

The Treasurer announced that the City now accepts debit and credit cards as payment for services on an over-the-counter basis; on-line payments will be available in the near future. Placards have been placed in the Recreation, General Government and the Building Department stating that the fees associated with paying by credit or debit card is a one-dollar (\$1.00) transaction fee and one and seven tenths percent (1.7%) fee, which go directly to the credit card processor. The transactions are revenue neutral to the City.

Councilmember Loftus inquired about what protection is provided to the City against fraud, primarily a person presenting a stolen card. From the manual provided by SC.Gov, they are assuming liability for fraud; Treasurer Suggs stated that the City does not retain any credit card information once the transaction is finalized, i.e. the number does not show on any reports generated. The Treasurer stated that she is confident that the liability does not fall to the City, but she would confirm that to be the case.

B. Tourism Schedules

Since the schedule was generated, the City has received the October payment of Municipal Accommodations Fees in the amount of sixty thousand four hundred forty-nine dollars (\$60,449) that includes a fifteen thousand dollar (\$15,000) correction for an overpayment in August. Collections are running eight percent (8%) ahead of the same period in FY13.

State Accommodations Taxes for the September quarter totaled nearly five hundred thousand dollars (\$500,000), which means an increase of fourteen and nine tenths percent (14.9%) over the same period in FY13.

Treasurer Suggs reminded the Committee that the Charleston County Accommodations Tax Pass-through is a semi-annual payment.

Hospitality Taxes are running nine percent (9%) ahead of FY13 with collections in October of sixty-four thousand five hundred thirteen dollars (\$64,513) and all taxpayers being current.

C. Projects Status

Payments from the Beach Restoration Fund in October were for lighting and compaction tests, work on the permit modification, and bank fees; remaining to be spent is six hundred twenty-two thousand dollars (\$622,000).

A small fee for engineering services was paid from the Phase 2 drainage project.

Monies spent on the replacement for the watersports dock total fourteen thousand eight hundred dollars (\$14,800) for design and engineering.

MOTION: Mayor Cronin moved to re-order the *Agenda* to consider Item B under New Business at this time; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

6. B. Recommendation from the Real Property Committee – Approval of a Change in Scope of the Contract with Ocean and Coastal Consultants for the Rehabilitation of the Tidal Wave Watersports Dock and Consideration of Utilizing Balance of Engineering Scope toward Preliminary Marina Redevelopment Plan

Administrator Tucker refreshed the Committee's memory stating that the FY14 budget included replacing the watersports dock at the marina; after months of negotiation between the tenant and the nearest neighbor, the decision was made to remedy the safety issues with the existing

dock at this time and to replace in the future. In the course of discussions, attention was also given to the whether or not it was appropriate to move forward with some preliminary planning for the future of the marina since there was concern about whether the watersports dock would be relocated in a marina enhancement program.

At the Real Property Committee meeting, there was a discussion of re-allocating a portion of the engineering funds for a preliminary plan for the marina since the topic is fresh in the minds of all stakeholders at the marina.

John Shaffer, Ocean and Coastal Consultants (OCC), thanked the Committee for accommodating his schedule and stated that the decision to delay the replacement of the dock and to resolve safety issues with the existing dock changed the scope and the level of effort with OCC's role in the project. OCC will put out the bid package for the rehabilitation, to include the handrails, electrical and minor structural issues, and will oversee the work. The reduction in scope leaves seventy-two hundred fifty dollars (\$7,250) of the total contracted amount unused, so OCC has proposed a preliminary master plan for the redevelopment of the marina, primarily the waterfront components of the users within the marina. The goal is to reach a consensus, establish a plan, a budget and begin to move forward with the redevelopment.

Administrator Tucker reiterated that this would not involve any additional money, but would be a reallocation of funds.

The Administrator noted that this was discussed by a quorum of members (2) of the Real Property Committee, and no decision was made relative to the preliminary marina plan.

Responding to Mayor Cronin, Councilmember Stone related that the Real Property Committee discussed multiple issues, i.e. consideration of the conceptual plan presented by the marina manager, the input of all of the players to do a comprehensive study, knowledge of what the future of the asset could be and the potential costs for budgeting purposes.

MOTION: Councilmember Stone moved to approve the change in scope for Ocean and Coastal Consultants for the rehabilitation of the Tidal Wave Watersports dock in the amount of \$24,800; Councilmember Bergwerf seconded and the motion PASSED UNANIMOUSLY.

MOTION: Councilmember Stone moved to reallocate the remaining \$7,250 to developing a preliminary marina plan; Councilmember Bettelli seconded.

Councilmember Loftus noted that there had been no positive vote from the Real Property Committee for this plan; he was of the opinion that placing the balance of the FY14 funds budgeted for the dock replacement in a reserve fund for a future project was more appropriate. He reminded the Committee that the dredging project had significantly depleted the Marina Fund and that the City would not have funds for a marina redevelopment for several more years. He stated that any study should be done closer to the time that the project will become a reality.

Mr. Shaffer stated that he sees the preliminary plan as a path forward and a budget on which to base budget decisions to property fund a redevelopment in the future.

VOTE: The motion PASSED on a vote of 8 to 1 with Councilmember Loftus casting the nay vote.

Returning to the project status reports, Treasurer Suggs indicated that the Parking Management and Wayfinding schedule was a new one, reflecting the FY14 budgeted funds of one hundred fifty thousand dollars (\$150,000) for beach access parking and eight-one thousand dollars (\$81,000) for Phases III and IV of wayfinding signs.

MOTION: Mayor Cronin moved to re-order the Agenda to address Item A.4 under New Business; Councilmember Bettelli seconded and the motion PASSED UNANIMOUSLY.

6. A.4 Award of a Contract to Stantec for Phases III and IV of Wayfinding Sign Initiative in the Amount of \$15,790

Administrator Tucker noted that Marie Langlois and Jennie Horne were present to answer questions. The work being proposed represents the next phase of the wayfinding sign program; included in meeting packets is the proposal that details the tasks Stantec will complete in Phases III and IV. She reminded the Committee that a key to getting SCDOT's approval of the wayfinding signs that are currently in-place was the commitment to making the signs consistent island-wide.

MOTION: Mayor Cronin moved to award a contract to Stantec in the amount of \$15,790 for Phases III and IV of the Wayfinding Sign initiative; Councilmember Bettelli seconded.

Councilmember Carroll noted that the lettering on the existing signs was not raised, but sand-blasted into the surface; he was under the impression that the words would stand out more if raised. Ms. Langlois explained that the signs are made of a poly-blend product referred to HDU and that the letters are recessed because SCDOT has a standard of reflectivity that must be met with road signs and the lettering will last longer. She stated that they are currently working on a sign at 46th Avenue; they have made a few changes to make the sign stand out more that they will employ going forward, such as making the copy a little larger.

Councilmember Ward recalled that the City had paid the business license for the sign fabricator last year, and he wanted to know whether the work would be performed in 2013 or 2014 and who would pay for the business license. Ms. Langlois confirmed that both Stantec and the sign fabricator will pay for their own business licenses.

VOTE: The motion PASSED UNANIMOUSLY.

5. Old Business

A. Recommendations from the Public Safety Committee

- 1. Consideration of Hiring 1 Additional Firefighter for each Shift (3 total) for Fire Station 2 effective December 1, 2013**

MOTION: Mayor Cronin moved to hire 3 additional firefighters for Station 2 effective December 1, 2013; Councilmember Bettelli seconded.

Administrator Tucker explained that the presentation had not been developed in a way to support each individual request separately, but to address them collectively.

- 2. Consideration of Increasing the Salary Ranges in the Fire Department effective December 1, 2013**
- 3. Consideration of Increasing the Merit Pool to 6% for January 1, 2014**

Chief Graham recalled that she and Battalion Chief Smith had made their initial requests to the Personnel Committee in August, and the requests were for one (1) additional person per shift at Fire Station 2, a ten percent (10%) adjustment to the wage scale of Fire Department personnel, to adjust the pay for Fire Department personnel who have four (4) years or more by ten percent (10%) effective December 1, 2013 and to increase the merit pool by three percent (3%) for a total of six percent (6%) effective January 1, 2014. As the presentation was made to the Public Safety Committee and the Ways and Means Committee, she and Chief Smith were asked for additional information which will be included in the presentation at this meeting.

At this time, Battalion Chief Smith reviewed the information included in meeting packets relative to salary comparisons with the City of Charleston, St. John's Fire District, Sullivan's Island, North Charleston, Mount Pleasant and Charleston County EMTs. On the first page of the handout, the starting salaries for fire department positions were listed and an average computed that was compared to the starting salary for IOP personnel; Isle of Palms' employees were paid anywhere from six percent (6%) less for an engineer's position to eighteen percent (18%) less for a battalion chief's position. Key elements contributing to the pay differences were the fact that the City of Charleston gives a five percent (5%) longevity increase for each of the first seven (7) years of employment; St. John's Fire District has both a cost of living adjustment (COLA) and merit, plus two and a half percent (2.5%) for years five through ten (5-10) and five percent (5%) thereafter; and Charleston County EMTs receive three percent (3%) longevity increases in years one, three, five, seven and ten (1,3, 5, 7, 10) and six percent (6%) in the fifteenth (15th) year.

In subsequent pages of the presentation, the Isle of Palms' salaries are compared individually with the municipalities, reflecting the nuances of each department and the additional information on employee costs for health insurance. The insurance coverage provided by the various local governments is basically the same; the difference is how much these local governments are contributing to employee insurance premiums. The City of Isle of Palms pays one hundred percent (100%) for an individual employee's health, dental and vision care; in addition the City pays fifty percent (50%) for dependent health, dental and vision care.

On the ninth page of the handout, a firefighter is followed through three (3) years of employment with each department and two (2) additional years as an engineer; again the average salary among the other departments is compared to the Isle of Palms' salary. The differences are greater than on the first page comparing starting salaries. When hired, the IOP salary is ten percent (10%) lower than the other departments; after the first and second years, the difference increases to twelve percent (12%); and, after three years, the IOP employee is making fourteen percent (14%) less than the average firefighter in the other departments. After years four and five (4-5) as an engineer, the percentages go to eight and ten percent (8-10%) respectively.

Battalion Chief Smith explained that the reason Charleston County EMTs were included was that the majority of IOP personnel are EMTs, but unlike Charleston County EMTs, IOP personnel are also trained firefighters.

Councilmember Loftus asked if all of the municipalities queried had the same health insurance carrier, and Chief Smith stated that they do not, and a couple are self-insured.

Councilmember Stone noted that the municipalities would likely have different experience ratings if they were with the same carrier.

Councilmember Loftus suggested that the City might need to shop health insurance carriers for the upcoming budget cycle. Administrator Tucker stated that the City had entered into a multi-year contract with the State Health Plan when it signed on in 2012.

Chief Graham commented that she remembered, when this was done in the past, the insurance costs from group to group were very similar; the difference comes with the amounts that the individual municipalities are contributing toward dependent coverage for their employees.

In comparing the numbers of calls for District 1 and District 2, District 2 had one and a half (1½) as many calls in October as District 1. Additionally, the number and severity of calls in District 2 are increasing. The reason for an additional person at Station 2 is to equalize abilities at each station.

The final page of the handout listed, by position, those persons who have left the Fire Department over the past four (4) years, their length of service, their most recent salary history and the reason they left the City's employment.

Chief Graham reported that the City has twenty (20) EMTs on staff. In recent years the City has lost eleven (11) EMTs who were trained at the City's expense and seven (7) who were trained when they joined the Department.

Having been asked how much the City had invested in training for the personnel who have resigned in 2013, Chief Graham tracked the training provided to four (4) employees who left; they were a firefighter with two (2) years' experience, a fire inspector with eighteen (18) months' experience, an engineer with six (6) years' experience and a supervisor with thirteen (13) years' experience. The City's total investment in these four past employees was two hundred twenty-one thousand seven hundred sixty dollars (\$221,760) and more than twenty-two (22) years of island experience.

Few departments were willing to share their turnover rates, but the Chief did learn that, for the past 5 years, the turnover rate has been ten percent (10%) for the City of Charleston, twelve percent (12%) for Mount Pleasant and eleven percent (11%) for Sullivan's Island. For the Isle of Palms Fire Department, the five-year (5 yr.) turnover rate has been twenty-five percent (25%).

Administrator Tucker presented funding options should the Committee decide to adopt any or all of the Fire Department's requests. The estimated costs for two (2) items have been reduced by one (1) month since no action would take place prior to December 1, 2013, and it is likely that the actual costs will be less than these estimates since three (3) firefighters are not waiting in the wings to start to work on December 1, 2013.

The costs, as estimated, are as follows:

1 firefighter per shift, 9 total, for Fire Station 2	\$ 91,625
Increase FD wages ranges by 10% and increase current wages Battalion Chiefs and below with more than 4 years IOP experience by 10%	73,084
Increase merit pool from 3% to 6% City-wide effective 1/1/14	<u>54,671</u>
Total for all recommendations	\$219,470

Since the City has historically ended the fiscal year with a positive net result in the General Fund because the City carefully tracks expenses and conservatively projects revenues, staff is recommending that the Committee take no action at this time. Staff believes that, if adopted, the Fire Department recommendations can be absorbed in the FY14 General Fund positive net gain.

Approving the Fire Department recommendations will also mean that salary and fringe line items will be over budget for the balance of FY14 and will mean that the transfer to the Capital Projects Fund in FY14 will be less than what has been seen in the recent years.

If the General Fund results are not sufficient to cover the expense of the recommendations, staff has identified funding sources as follows:

- 3 new full-time firefighters: Utilize part of the \$132,847 State ATAX net result and transfer to General Fund \$ 91,625
- 10% increase in FD wage ranges and increase current wages for Battalion Chiefs and below with more than 4 years of IOP service by 10% effective December 1, 2013:

Utilize remainder of \$132,847 State ATAX Fund FY13 positive Net result	\$ 41,222
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Unassign a portion of the \$75,000 for undergrounding of utility lines
 in the Capital Projects Fund \$ 31,862

- Increase annual merit pool from 3% to 6% effective January 1, 2014:

Unassign remainder of the \$75,000 for undergrounding of utility lines
 in the Capital Projects Fund \$ 43,138

Unassign a portion of the \$30,000 budgeted for a Disaster Relief Team
 in the Capital Projects Fund \$ 11,623

TOTAL \$219,470

Councilmember Stone asked whether the merit increases were earned by department or City-wide assuming all departments meet their goals. Administrator Tucker explained that the merit increases are based on an individual employee's performance as evaluated by his/her supervisor.

The final page considers the budgetary impacts of the recommendations for FY14. The estimated expenses for FY15 are as follows:

Addition of 3 full-time FD employees	\$141,642
10% increase to FD wage ranges and 10% increase to current wages for Battalion Chiefs and below with four years of IOP service	125,287
Increase annual merit pool from 3% to 6% City-wide	<u>112,808</u>
TOTAL	<u>\$379,737</u>

Possible sources of funding in FY15 are as follows:

General Fund – Consolidated Dispatch personnel expense allocation reduces by \$38,866 and telecommunicator salaries and fringes reduce by approximately \$52,000	\$ 96,866
Municipal ATAX Fund – Beach Restoration Loan retires in June 2014, making available \$315,482 annually	<u>315,482</u>
TOTAL	<u>\$406,348</u>

In addition, options for additional revenues and expense reductions can be considered in the FY15 budget.

Councilmember Carroll asked if the City was not anticipating future beach restoration loan expenses; the Administrator responded that the City has put money aside each year, but the possibility for debt exists.

Councilmember Ward asked if benefits would be provided to each of the firefighters to be added and was told that they would all receive benefits. The Councilmember then stated that the City is expecting to fund these expenditures with "projected surpluses." The Administrator remarked that net positive gains have historically happened, but staff could take budgeted line items and reallocate them to cover the expenses, but staff would prefer to track the impact on the budget for a couple of months. He then reiterated that the funds that would be affected by reallocations would be the Capital Projects and ATAX funds. Councilmember Ward recalled that the Committee had been informed a couple of months ago to expect a shortfall in property tax revenue of approximately one hundred ninety-four thousand dollars (\$194,000) for FY14.

Mayor Cronin commented that the Charleston County Tax Assessors office had informed the City that collections could be one hundred ninety-four thousand dollars (\$194,000) less than they had had quoted to the City when the budget was being prepared. The Mayor added that, historically, the assessor's office has not been correct, and the City should know the amount of property tax collections by February.

Councilmember Wards' next question was an inquiry about future tax increases; Administrator Tucker stated that that City is going to have to continue to hold the line on and monitor expenses closely but to also look for methods of generating revenue, i.e. different sources of revenue or different fee schedules , etc.

Councilmember Ward stated that he has a problem funding expenditures for FY14 and the future years on the hope of budgeted surpluses. The Administrator reiterated that one (1) portion is coming from an already one hundred thirty-two thousand dollar (\$132,000) gain for FY13. Mayor Cronin added that the other funding sources identified are budgeted funds that could be reallocated from their original purpose.

Councilmember Ward then asked whether the City anticipated any problems with the State ATAX board regarding the one hundred percent (100%) funding of three (3) new firefighters. Administrator Tucker responded that, based on how communities are spending ATAX funds related to funding public safety positions, the City uses ATAX monies to cover relatively few positions; therefore, she would be very surprised if there were to be a problem.

Councilmember Stone commented that he was inclined to support staff and the Fire Department's recommendations from a safety point of view. As to funding, he added that an additional three hundred thousand dollars (\$300,000) has been identified that will not be spent in FY14 as the budgeted replacement of the watersports dock at the marina. He also noted that, in the budget process, the City had been "extremely aggressive" with the cost per gallon of fuel across all departments at four dollars twenty-five cents (\$4.25), and fuel at the wholesale level must be considerably lower which is another savings going forward. He is confident that the City can more than justify these expenditures and that the City should move forward to protect the residents, their guests and visitors to the island.

Recalling that a motion was open on the first recommendation to hire one (1) additional firefighter per shift for Station 2, the Mayor opened the floor to discussion of that recommendation.

Councilmember Buckhannon stated that Chief Graham and Battalion Chief Smith had brought up other issues that he thought were worthy of discussion; he voiced the opinion that bonuses for achieving certification as an EMT was of value, as well as "step" or longevity increases. He indicated that he would be interested in looking at some of the other options that were mentioned for the next budget cycle. He asked how the City would react if the opportunities that were being taken out of the Capital Projects Fund to cover these expenditures were to become a reality. The Councilmember also expressed concern over funding additional positions with ATAX funds and how the City was going to make-up for the one hundred ninety-four thousand dollar (\$194,000) shortfall in property tax revenues. He thought that as many as eighteen (18) positions were currently being paid via accommodations taxes, and the number has seemed to grow with each budget cycle. He stated that he would like for staff to establish a list of positions that are needed because of tourism and to use that list in the budget cycle.

Treasurer Suggs reported that the positions funded from tourism funds are the six (6) beach service officers, which is offset by the forty thousand dollar (\$40,000) grant from Charleston County, two (2) patrol officers, three (3) firefighters and the Public Works temp labor.

Councilmember Buckhannon stated that Council has spent more time on these Fire Department requests than was spent on the entire FY14 budget. He expressed the opinion that these requests should wait to be addressed in the next budget cycle.

Councilmember Bettelli stated that he believes the City should move forward with three (3) new firefighters because it is a safety issue.

Mayor Cronin remarked that there is nothing more important than the safety of people on the island and their properties; if the City has to give up doing certain other things then that is what will be done.

Councilmember Carroll asked what would happen if the City experienced a hurricane next year and ATAX funds ceased to flow; he also was supportive of addressing these issues in the next budget cycle.

Councilmember Loftus commented that he disagrees philosophically with Councilmember Buckhannon; he opined that the number of employees in the Police and Fire Departments is dictated by the volume of tourism on the island. He agreed that the City should have a list of the positions that are needed because the City "is a premier destination for vacation and tourism." He recounted that the City last hired Fire Department personnel in 2002 and generated a tax increase for property owners; he voiced concern that taxes would have to be raised to fund this personnel increase. In addition, the Councilmember voiced the belief that the City will need every available dollar for one or two (1-2) beach restoration projects in the near future. He noted that the City had actually lost residents in the 2010 census, and, as a result, did not see the need for more personnel.

Councilmember Stone recalled that, in an earlier presentation, Chief Graham had shown the standards for staffing the stations with the equipment the City has requires an additional firefighter per shift. He agreed that it is a safety issue and an issue that is important to the aging

population on the island. In addition, he agrees that the volume and type of calls public safety personnel respond to more than justify the use of tourism funds.

Councilmember Bergwerf stated that the Fire Department has presented “their argument perfectly, succinctly and clearly.” In her opinion, the City must be in a position to compete for qualified employees, and the City staff has found a way to fund it. She repeated that it is public safety, i.e. her safety and the safety of her neighbors and the island’s visitors; she voiced her support for all three (3) recommendations.

**Roll call vote: Councilmember Bergwerf – Yes
Councilmember Bettelli – Yes
Councilmember Buckhannon – No
Councilmember Carroll – No
Councilmember Loftus – No
Councilmember Stone – Yes
Councilmember Thomas – No
Councilmember Ward – No
Mayor Cronin – Yes**

The motion was defeated on a vote of 5 to 4.

MOTION: Councilmember Bettelli moved to increase Fire Department wage ranges by 10% and to increase current wages by 10% for Battalion Chiefs and below with more than 4 years of IOP service effective December 1, 2013; Councilmember Loftus seconded.

Councilmember Ward asked what was being reported by other departments in the City about this proposal; Administrator Tucker conceded that there could be other salary disparities in the City, but the recommendation to increase the merit pool to six percent (6%) could correct some of those inequities. The Administrator stated that salaries needed to be reviewed in other departments in the City. The Councilmember commented that “what is doing done for one should be done for all.”

Councilmember Carroll indicated that he supports each of the recommendations, but not in the middle of a budget year.

Councilmember Bettelli reiterated his belief that “the most valuable resource the City has is its employees,” and that the City should treat its employees the right way.

Mayor Cronin agreed that all positions should be studied and voiced his concern that the City is dealing with averages.

Councilmember Loftus expressed the opinion that the City “had dropped the ball” by not recognizing that this problem existed a year or two years ago, but the City must take care of its employees and be competitive.

VOTE: The motion PASSED on a vote of 6 to 3 with Councilmembers Buckhannon, Carroll and Ward casting negative votes.

MOTION: Mayor Cronin moved to increase the merit pool to 6% effective January 1, 2014; Councilmember Bergwerf seconded.

Councilmember Ward asked how this problem was missed until two (2) months into the fiscal year; he stated that he sees the budget as “a pact with the public” and will be followed unless an emergency like a hurricane interrupts it.

Chief Graham explained that she and Battalion Chief Smith had brought the need for additional fire-fighters to the Personnel Committee in August because they believed that the Department “was headed down a critical path and that now they are on a critical path.” Staffing is an issue, but in order to get additional personnel they need to be able to attract people while they are losing trained people rapidly. The issues seemed to compound themselves from needing new people to attracting good people to keeping people currently employed.

Councilmember Ward expressed concern that they did not have any idea what was happening in April or May when the budget was being discussed. The Chief noted that the Department has been under-staffed for a long time, but it only became critical this past summer. Mayor Cronin pointed out that most of the personnel losses have been since May.

Councilmember Ward stated that he would support this recommendation despite the fact that it was outside the budget.

Councilmember Loftus expressed the opinion that, in January 2014, the Personnel Committee should do more research, learn what each local community is doing in all departments and come up with workable solutions.

Mayor Cronin reiterated that this is a one-time event, and Administrator Tucker added that it would be City-wide.

Councilmember Bettelli reminded Council that several years ago Council had decided to eliminate the cost of living adjustments for employees in favor of annual merit increases; he added that the merit increases were apparently not enough.

Roll-call vote:

- Councilmember Bergwerf – Yes**
- Councilmember Bettelli – Yes**
- Councilmember Buckhannon – No**
- Councilmember Carroll – No**
- Councilmember Loftus – No**
- Councilmember Stone – Yes**
- Councilmember Thomas – No**
- Councilmember Ward – Yes**
- Mayor Cronin - Yes**

The motion PASSED on a vote of 5 to 4 as indicated above.

B. Recommendation from the Public Safety Committee to Allow Hurricane Re-entry Stickers and Wild Dunes Decals to Serve as “Free Parking” Passes at Front Beach Kiosks between 6:00 and 8:00 p.m. during the Beach Season

Administrator Tucker commented that the majority of Council supported a means to accommodate residents to park at Front Beach during the extended hours, but, when consulted, Attorney Halversen learned that there is no good reason to distinguish between resident and non-resident where on-street parking is concerned. The City can, however, provide free parking for residents in the municipal parking lot between the hours of 6:00 and 8:00 p.m.; the Administrator reported that she has spoken with the lessee, Schupp Enterprises, and he has no objection to this action.

Attorney Halversen explained that the main issue is that this is on-street parking on a main thoroughfare; the City’s ownership of the street is a non-issue.

MOTION: Councilmember Bettelli moved to allow for hurricane re-entry stickers and Wild Dunes decals to serve as “free parking” passes in the municipal parking lots between the hours of 6:00 and 8:00 p.m.; Councilmember Stone seconded.

Amendment: Councilmember Stone moved to amend the motion to include a lease amendment between the City and Schupp Enterprises; Councilmember Bettelli seconded, and the amendment PASSED UNANIMOUSLY.

Councilmember Ward stated that, since the residents will not be allowed to park at the parking kiosks free of charge, he does not see any accommodation being afforded residents.

Councilmember Stone asked Attorney Halversen what would happen if the City were to go ahead and to allow the stickers and decals to serve as parking passes at the Front Beach kiosks; Attorney Halversen responded that the City could be challenged by non-residents on equal protection and other constitutional bases. The City Attorney noted that this has never been tested in a court in the state so it would be interesting.

Councilmember Loftus stated that he thought there would be problems with enforcement and be very controversial.

VOTE: The motion PASSED on a vote of 8 to 1 with Councilmember Ward casting the negative vote.

6. New Business

A. Recommendations from the Public Safety Committee

- 1. Award of a contract to Vic Bailey Ford for the budgeted purchase of 1 Ford Utility Police Interceptor (SUV) in the amount of \$26,412, state contract pricing**

MOTION: Mayor Cronin moved to award a contract to Vic Bailey Ford as detailed above; Councilmember Stone seconded and the motion **PASSED UNANIMOUSLY**.

2. Award of a contract to Love Chevrolet for the budgeted purchase of 1 Chevrolet Impala in the amount of \$20,332, state contract pricing

MOTION: Mayor Cronin moved to award a contract to Love Chevrolet as stated above; Councilmember Stone seconded and the motion **PASSED UNANIMOUSLY**.

3. Award of a contract to Motorola for the budgeted purchase of 2 Digital Vehicular Repeaters with APX6500 Mobile Radios as state contract pricing of \$30,449.44

MOTION: Mayor Cronin moved to award a contract to Motorola for the budgeted purchase of repeaters and radios as detailed above; Councilmember Bettelli seconded.

Councilmember Stone stated that he understood that the City no longer needed the repeaters with the new antenna.

Administrator Tucker noted that this purchase is over budget and asked Chief Graham to address both issues.

Chief Graham explained that the repeaters are need in the large buildings, like The Villages and the new Harris Teeter grocery store. She further explained that the repeater that the City currently has is eight hundred megahertz (800 mhz.) and the new ones are at seven hundred megahertz (700 mhz.), so the license the City has is no longer applicable. The budget for the purchase is twenty-four thousand dollars (\$24,000) and will cover the cost of the repeaters, but the radios are not Phase 2 compliant. The radios will be paid from the proceeds of an insurance claim for lost walkie-talkies.

VOTE: The motion **PASSED UNANIMOUSLY**.

C. Recommendation from the Public Works Committee

1. Award of a contract to Kelly Messier in an amount not to exceed \$3,000 to Develop a Landscape Design for the Public Works site to come into Compliance with NPDES regulations

MOTION: Mayor Cronin moved to award a contract to Kelly Messier as stated above; Councilmember Stone seconded.

Amendment: Councilmember Ward amended the motion to stipulate that the contract is paid from the stormwater improvements design and construction line-item in the FY14 budget; Councilmember Stone seconded and the amendment **PASSED UNANIMOUSLY.**

VOTE: The vote on the amended motion **PASSED UNANIMOUSLY.**

2. **Authorization for the City Administrator to send a letter to SCDOT indicating that the City will assume maintenance for the Phase II Drainage Improvements**

MOTION: Mayor Cronin moved to authorize the City Administrator to send a letter to SCDOT stating that the City will assume maintenance of the Phase II drainage improvements; Councilmember Buckhannon seconded and the motion **PASSED** unanimously.

3. **Award of a contract to Jones Ford for \$27,866, state contract pricing, for the budgeted purchase of 1 Ford F150 pickup truck; councilmember Stone seconded and the motion PASSED UNANIMOUSLY.**

7. Miscellaneous Business

Next Meeting Date: 5:45 p.m., Tuesday, January 21, 2014

8. **Executive Session – not needed**
9. **Adjourn**

MOTION: Councilmember Ward moved to adjourn at 7:54 p.m.; Councilmember Bettelli seconded and the motion **PASSED UNANIMOUSLY.**

Respectfully submitted:

Marie Copeland
City Clerk